

HOUSE BILL No. 1509

DIGEST OF INTRODUCED BILL

Citations Affected: IC 33-39-7-26.

Synopsis: Prosecuting attorneys' purchase of service credit. Allows a participant in the prosecuting attorneys retirement fund (fund) to purchase service credit, at full actuarial cost, for service performed in another public employees' retirement fund. Authorizes the fund to accept rollover distributions from certain types of retirement plans or accounts to purchase the service credit.

Effective: July 1, 2005.

Grubb, Koch

January 18, 2005, read first time and referred to Committee on Employment and Labor.

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Introduced

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

HOUSE BILL No. 1509

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 33-39-7-26 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2005]: **Sec. 26. (a) This section applies only to a person who:**

4 **(1) is described in section 8 of this chapter who is**
5 **participating in the fund;**

6 **(2) before or after becoming a participant in the fund**
7 **performed services as a member of a public employees'**
8 **retirement fund;**

9 **(3) received credited service under a public employees'**
10 **retirement fund for the employment described in subdivision**
11 **(2); and**

12 **(4) has not attained vested status under a public employees'**
13 **retirement fund for the employment described in subdivision**
14 **(2).**

15 **(b) If a person is a participant in the fund, credit for service**
16 **described in subsection (a) must be granted under this chapter by**
17 **the board if:**



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(1) the service described in subsection (a)(2) was credited under a public employees' retirement fund; and

(2) the person pays in a lump sum or in a series of payments determined by the board, not to exceed five (5) annual payments, the amount determined by the actuary for the fund as the total cost of the service.

(c) If the requirements of subsection (b) are not satisfied, a participant is entitled to service credit in the fund only for service:

(1) in a position described in section 8 of this chapter; or

(2) as required under section 25 of this chapter.

(d) An amortization schedule for contributions paid under this section must include interest at a rate determined by the board.

(e) If the requirements of subsection (b) are satisfied, the appropriate board shall transfer from the retirement fund described in subsection (a)(2) to the fund the amount credited to the participant's annuity savings account, if any, and the present value of the retirement benefit payable at sixty-five (65) years of age that is attributable to the participant.

(f) The amount a participant must contribute to the fund under subsection (b) shall be reduced by the amount transferred to the fund by the appropriate board under subsection (e).

(g) If the requirements of subsection (b) are satisfied, credit of service in a public employees' retirement fund is waived.

(h) To the extent permitted by the Internal Revenue Code and the applicable regulations, the fund may accept, on behalf of a participant who is purchasing permissive service credit under subsection (b), a rollover of a distribution from any of the following:

(1) A qualified plan described in Section 401(a) or Section 403(a) of the Internal Revenue Code.

(2) An annuity contract or account described in Section 403(b) of the Internal Revenue Code.

(3) An eligible plan that is maintained by the state, a political subdivision of the state, or an agency or instrumentality of a state or political subdivision of a state under Section 457(b) of the Internal Revenue Code.

(4) An individual retirement account or annuity described in Section 408(a) of the Internal Revenue Code.

(i) To the extent permitted by the Internal Revenue Code and the applicable regulations, the fund may accept, on behalf of a participant who is purchasing permissive service credit under subsection (b), a trustee to trustee transfer from any of the

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- 1 following:
2 (1) An annuity contract or account described in Section 403(b)
3 of the Internal Revenue Code.
4 (2) An eligible deferred compensation plan under Section
5 457(b) of the Internal Revenue Code.

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